How to Manage Commercial Wash & Fold Services



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The laundry industry isn't what it used to be. In fact, global laundry and dry cleaning services have kept up with the demand of the modern world. A <u>recent study</u> has shown what a cash cow the laundry industry really is, with a reported global value of \$93 billion in 2020, which is expected to grow to a whopping \$127 billion by 2025. Individuals and businesses alike are doubling down on the convenience of laundry services. Laundromat owners that can keep up by providing comprehensive, convenient modern services are looking at a profitable future.

The demand for cleaning and laundry services will only increase in future years. With solid growth expected from the commercial, industrial, healthcare, and hospitality sectors, the revenue opportunities will expand in tandem. One of these opportunities is commercial wash and fold services. This is when a laundromat provides high-volume laundry services to business clients like restaurants, gyms, and clothing boutiques. This type of service allows laundromats to access new customers, revenue streams, and growth opportunities. Launching commercial wash and fold services can be a difficult and confusing road. In this guide, you'll learn about the growing commercial wash and fold market and how to start providing, managing, and growing these services at your laundromat.

Why Commercial Wash and Fold?

You've mastered the coin laundry game and you're a local favorite for your residential wash and fold market, which means you're setting your sights on new heights! If you're ready for the next step in growing your business, look no further than commercial wash and fold services. Adding this service will open your laundry business to a whole new (and incredibly profitable) market of commercial customers.

Currently, only 31% of U.S. laundromats are serving commercial clients. That means there is a major opportunity to be one of the earlier adopters of this type of service. Establishing your business as a go-to for commercial services will help you maximize your share of the available market and give you a leg up on your competition for years to come.

There are even more benefits to commercial wash and fold than meet the eye. Of course, you'll earn more revenue because more clients means more money, but the advantages go even deeper. Keep reading to learn how to set your business up for long-term success and plant deep roots that can withstand volatile economic conditions.







Benefits of Expanding to Commercial Wash and Fold Services

At the risk of oversimplifying it, the benefits of expanding to commercial wash and fold services are numerous and the market share is plenty for now. With less than a third of laundromats nationwide offering wash and fold services, you have the opportunity to scoop up:

- Market share
- New customers
- Powerful revenue streams

- Security for your business
- High-volume orders
- Better ROI

You feel like you've reached your potential in residential wash and fold and you're ready to start adding new revenue streams. The best part about commercial clients is they simply offer laundry in greater volume and a painstakingly regular cadence. Not only are their invoices big, but you can count on them every single week. This can be a new, solid, and hopefully long-standing revenue stream for your business.

If you tackle this opportunity, you can earn more profitable income without a lot of added effort and expenses. How can that be true? Wash and fold services add volume to your business while allowing you to get more bang for your buck. Picture this: if you're doing pickup and delivery for commercial clients, your driver can go to one location and pick up multiple orders. Your driver no longer has to go to numerous residential homes to get that same amount of volume. The benefit is a major increase in your return on investment!

By providing a much-needed service, you can win profitable businesses in close proximity to your store without having to make any drastic changes to how you're already doing business. After all, it's not much different than the residential services you're already skilled at providing.

The Commercial Wash and Fold **Customer Base**

Instead of socks and underwear, your commercial customers have different laundering needs. Depending on the type of business, you could be laundering restaurant linens or dry cleaning couture. With wash-and-fold services, your revenue potential becomes practically unlimited. Right now, the commercial customer base is largely untapped! Commercial customers are more reliable and generally have a higher value than residential customers. For example, if the Nordstrom in your local mall agrees to use you for all returned garments that need washing or dry cleaning, you can count on invoicing them every single week or month for that service. Or, say you make a deal with the Italian restaurant across the street. You'll be able to invoice them regularly for their linens, tablecloths, and bar towels. It's a promised high-volume business.

These are the types of customers you can expand to once you start including commercial wash and fold services:

- Bars
- Museums
- Restaurants
- Retail shops
- Office buildings

- Yoga studios
- Gyms
- Spas
- Beauty salons and barbershops
- Vintage stores



"We were growing month over month just doing drop off for residential customers. We saw that the community was underserved and it's totally uncapped. It's nowhere near its fullest potential."

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How to Win Commercial Clients

You don't have to go far to find small and large businesses in need of reliable laundering services. One of the surefire ways to start getting these types of clients is by nailing down a specific radius of your store and hitting the pavement. Create flyers with your services, rates, and new client promotions. Visit the businesses and introduce yourself and your services. Here are some expert tips for winning new commercial wash and fold clients from our most successful owners and operators:

Use every communication channel at your disposal

In addition to going door to door, you can call, send emails, mail letters, and post flyers around the neighborhood. Become known in your neighborhood. If you have a social media presence on platforms such as Instagram, LinkedIn, or Facebook, create posts to announce your new services and send direct messages to the businesses you want to pursue. If you have the resources and bandwidth, you can even offer free or heavily discounted services to new customers. This will sweeten the deal for them and give you a chance to show them next-level customer service.

Go straight to the boss

Make your efforts count by asking to speak to the decision-maker when prospecting potential relationships. Talking to lower-level associates puts you at risk of being brushed under the rug. When you arrive at the business or make the call, ask for the manager, director, or owner first. If you can't get ahold of them on the first attempt, leave a message and follow up on another day.

Update your website and leverage it as a marketing tool

Your website is the digital face of your company, so it's very important that it reflects your new commercial wash and fold services. Eventually, those business owners you propositioned are going to visit your website for up-to-date information on how you can provide them with the help they need. Not only will this create continuity for curious potential customers; it will also provide a place to collect referrals from existing clients.

How to Start and Grow Commercial Wash and Fold Services

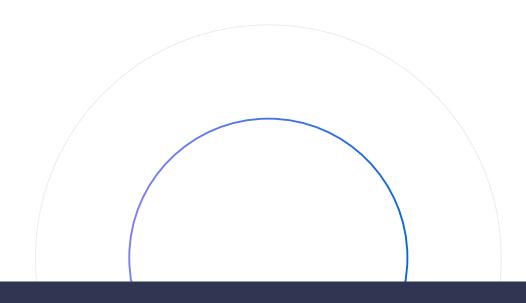
Adding commercial wash and fold services takes your laundromat from a mom-and-pop operation to a highlyprofitable bombshell. It creates new revenue opportunities, gives you access to a whole new market of customers with deep pockets, and perhaps (most importantly) creates a security blanket during the economic uncertainty of a post-COVID world. Forging new ground in your industry can be stressful and confusing at times. These are all the essential things to consider when starting, managing, or expanding your commercial wash and fold services.

Assess your staff and labor

A typical self-serve laundromat can run well with very few if any—attendants. There are new staffing requirements for catering to commercial wash and fold customers. You'll need to hire new staff members to meet the customer service needs of commercial clients. You'll also need to hire a delivery driver or partner with third-party networks if you plan on offering pickup and delivery service, which is highly recommended for effectively serving commercial clients. More staff members means you should implement more comprehensive training protocols, get a reliable hour tracking and payroll system, and create a strategy for employee retention. This is one of the most important, yet challenging, aspects of growing your business. Your existing employees who were responsible for floor tasks, cleaning, and monitoring the front desk will need to be trained to deliver a higher level of customer service. This will be essential in keeping your new commercial customers.

Take an audit of your space and equipment

Commercial wash and fold is a whole new ball game and getting started will require you to take a hard look at your current space and laundry equipment. In order to serve a strong book of commercial clients, you'll need dedicated, in-house washers and dryers. The last thing you want is to hinder your self-serve business because all your machines are being used to clean 200 dish towels from the bar at the end of the block. You may want to consider investing in industrialsized machines so you can deliver the fastest possible service. On that note, you'll also need the physical space to store dirty laundry as well as space to fold and prepare it for return once it's clean.



Create a pricing strategy

Every new commercial customer is an opportunity to negotiate a unique deal. In other words, you don't need to take a one-size-fits-all to commercial pricing. When you take on a new client, consider how much time, effort, and resources you'll need to dedicate to the job. For example, jobs that have a higher soil level or time-consuming folding instructions should be more expensive and jobs that promise a higher volume should probably get a cheaper per-pound rate. Every business is unique, so talking with the customer to get a really good idea of their needs and what it will take on the back end is an essential step to making sure you're profitable and the customer is happy.



Add pickup and delivery services

It's important that you consider adding pickup and delivery alongside your commercial wash and fold services. Many, if not most, commercial customers will expect you to provide pickup and delivery and whether you choose to do so will be one of the biggest factors in how many commercial customers you get. This added convenience will also give you an edge over your competitors. Just 18% of U.S. laundromats currently offer pickup and delivery, which means you have a major opportunity to set yourself apart. Most laundromats are able to do this very affordably by hiring just one driver and supplementing with DoorDash when needed. At the end of the day, this will give you access to an even larger market of potential customers and will put you in a great position to continue scaling your business.

"When we launched DoorDash on-demand laundry pickup and delivery service, it was such a pivotal moment for us as a small operator."

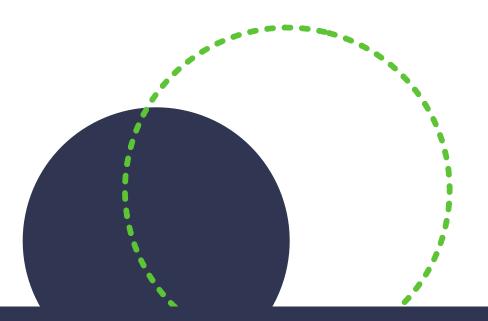
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Update your technology

The possibility for growth in this industry is limitless, but adding commercial services increases the complexity of the business and the need for smart management tools. One thing that's sure to make your life easier and practically ensure your success in scaling your business is upgrading to an all-in-one laundromat management system that can support residential and commercial clients' unique needs.

Essential features include POS, payroll, analytics, and marketing. Since you're expanding to commercial clients, you'll also hugely benefit from a solution that includes a dedicated commercial invoicing tool.

Cents' commercial invoicing tool takes the pain and confusion from collecting payments so you can focus on what's important: getting new clients and nurturing your existing relationships.



This easy-to-use tool includes:

- A smart invoicing system that includes all key information like all orders as separate line items and timestamps that show when the customer received and viewed the invoice
- An easy, time-saving method for creating bulk invoices for your commercial customers
- A dedicated commercial invoicing hub that keeps you from mixing up residential and commercial invoices and tracks the status of each of your invoices in a central location
- A notification system that alerts you when invoices are past-due and sends automated reminders to your customers
- An automated messaging system that communicates with the customers preferred language
- Personalized invoicing with your customer's logo and brand colors
- In-app metrics and insights that track your invoices so you never have to worry about payments sliding under the radar

It's important when launching commercial services that the tools you use to run your business also become more sophisticated. While your old system may have worked just fine to support your coin-operated business, your commercial business will be a whole new beast. A laundromat management system with tools like these is an investment that will make your life easier and help you create manageable growth for years to come, no matter what new services you expand into.

Level Up Your Laundry Business Today

The laundry industry poses massive and growing opportunities for those who are willing to think outside the box! Expanding to commercial wash and fold services allows you to broaden your horizons to new customers, bigger revenue streams, and long-term growth potential. Venturing into uncharted territory can be intimidating, but with this guide and the right laundromat management software, you're well on your way to a profitable future! The Cents laundromat management solution uses a powerful POS and intuitive analytics to empower laundromat owners to develop their commercial wash and fold business into a revenuegenerating machine. If you're ready to grow, partner with Cents.

Schedule a Demo

